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SUMMARY RECORD OF THE 30th MEETING

Chairman: Mr. HAMBURGER (Netherlands)

later: Mr. RAMOUL (Vice-Chairman) (Algeria)

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The meeting was called to order at 3 p.m.

AGENDA ITEM 96: SUSTAINABLE DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION (continued)

(e) HUMAN SETTLEMENTS (continued)

Draft resolution on implementation of the decisions adopted by the United Nations Centre for Human Settlements (Habitat II) (A/C.2/51/L.15)

1. Mrs. DENGO (Costa Rica) introduced draft resolution A/C.2/51/L.15 on behalf of the Group of 77 and China and the Movement of Non-Aligned Countries and expressed the hope that it would be adopted by consensus.

AGENDA ITEM 94: MACROECONOMIC POLICY QUESTIONS (continued) (A/51/87, A/51/208-S/1996/543)

(c) TRADE AND DEVELOPMENT (continued) (A/51/15, vols. I and II, A/51/152, A/51/211-S/1996/551, A/51/255, A/51/288, A/51/308, A/51/331, A/51/394; A/50/721 and Add.1; A/C.2/51/4)

(d) COMMODITIES (continued)

2. Mr. MEZZALAMA (Joint Inspection Unit (JIU)), introducing the report of the Joint Inspection Unit entitled "United Nations system support for science and technology in Asia and the Pacific" contained in document A/50/721, said that it was the second in a series of evaluations to ascertain the extent to which organizations of the United Nations system had been helping the developing countries narrow the gaps in the area of science and technology among nations, especially between the developed and the developing countries. The comments of the Administrative Committee on Coordination (ACC) on the report (A/50/721/Add.1) confirmed the importance of the JIU recommendations.

3. The ACC had fully endorsed recommendation 4 which called for significant strengthening of interregional collaboration in science and technology. Members more actively involved in the area of science and technology for development had found recommendation 2 to be of direct concern to their agencies.

4. The findings regarding the quality of support extended to the developing countries of Asia and the Pacific in the area of science and technology for development were very positive. A number of projects stood out as examples of what the United Nations system should be doing to raise the scientific and technological capacities of the developing countries. An important lesson learned from the evaluation was that projects should be planned and executed in full partnership with all agents concerned, especially the intended beneficiaries. The JIU believed that the Asian experience offered some valuable examples for other developing regions. The report's main conclusion was that organizations should make more systematic use of experience, institutions and projects in Asia and the Pacific as opportunities for promoting South-South cooperation.

5. Mr. OKANIWA (Japan) said that a comprehensive approach to economic growth in developing countries was needed that took into account the activities of both the public and private sectors, covering not only official development assistance but trade and investment. Japan was committed to supporting initiatives by developing countries to formulate their own development strategies, in the spirit of a new global partnership.

6. Japan supported the work being done by the United Nations Conference on Trade and Development (UNCTAD) in the field of technical cooperation, particularly with regard to South-South cooperation in the area of trade and investment. It had supported the analysis of development experiences in East Asia in order to evaluate the applicability of such experiences to problems encountered in Africa, and to that end it had contributed $300,000 to the UNCTAD project entitled "East Asian development: lesson for a new global environment". It was also supporting a project on diversification of the African commodity sector through South-South cooperation, which sought to promote the sharing of practical experience between Asian and African entrepreneurs.

7. Recalling the intense debate that had taken place during the mid-term review of the United Nations New Agenda for the Development of Africa in the 1990s, over whether the main obstacle to commodity exports from African countries was lack of market access or the volatility of commodity markets, he said that he would welcome the views of UNCTAD on that point, as well as on the best ways to promote commodity exports from developing countries, African countries in particular.

8. In order to facilitate the participation of all countries in the multilateral system, UNCTAD should extend technical cooperation to countries endeavouring to join the World Trade Organization (WTO). In keeping with the comprehensive approach which Japan had advocated, the activities of UNCTAD must be reflected at the field level in the structural adjustment policies of the Bretton Woods institutions as well as in the capacity-building efforts of UNDP.

9. The results of the ninth session of UNCTAD had included a substantial reduction in the number of intergovernmental forums, more focused operational programmes and a narrowing of the scope of priorities. A mechanism should be established to utilize any savings realized as a result of those reforms.

10. Mr. SINYINZA (Trade and Development Board), in reply to the representative of Japan, said that the trade performance of the African countries was contingent on many factors and newly emerging problems. Unfortunately, the African countries had not yet been able to take advantage of the preference their products enjoyed. Even given appropriate concessions, the least developed countries in particular had not been able to profit from the new market environment. Dramatic efforts were needed to resolve the largely structural problems that existed within the countries themselves.

11. Mr. SVETOGORSKY (Uruguay) said that, over the past decade Latin America had undergone a significant process of democratization and was progressing daily towards full economic and trade integration. A policy framework that would allow developing countries and economies in transition the possibility of growth and economic prosperity was the major requirement facing the international

community. To accomplish that, close and effective relationships must be forged between UNCTAD and WTO. Indeed, that concern had been noted in the medium-term plan.

12. His delegation reaffirmed the commitments made in General Assembly resolution 50/95, which stressed the urgent need to continue trade liberalization and to monitor the impact of the changes in the international trading system on the developing countries. Uruguay attached great importance to the fulfilment of all the commitments made in the Uruguay Round. It opposed the imposition of unilateral measures or sanctions of an extraterritorial nature which ran counter to the basic principles of international law.

13. His country placed the highest importance on economic integration, as evidenced by its efforts in regional and subregional integration within the Common Market of the Southern Cone (MERCOSUR). The initiative to expand the free trade zone in Latin America, firmly supported by MERCOSUR, and the dialogue among the member countries of the Andean Pact were prime examples of the efforts being made in that region.

14. At the forthcoming WTO Ministerial Conference, the area of agricultural trade should be reviewed and further liberalized as a means towards achieving world food security.

15. The United Nations had always been a place where theory and practice of international cooperation came together; at the same time, however, development assistance was a political issue. Economic assistance provided when circumstances warranted to the right recipients was therefore likely to remain a major factor in the promotion of development.

16. Mr. MABILANGAN (Philippines), speaking on behalf of the member countries of the Association of South-East Asian Nations (ASEAN), said that they agreed with the Secretary-General that in strengthening and revitalizing the role of the United Nations in the economic, social and related fields, efforts should be made to assess the extent to which UNCTAD was effectively addressing the priorities of its constituency in the key areas of trade and development, and in its integrated treatment of the development aspects of trade, finance, investment, technology and services. The members of ASEAN generally endorsed the Secretary-General's recommendations contained in document A/51/152/Add.2.

17. They were satisfied with the tangible achievements of UNCTAD and welcomed the outcome of its ninth session, which had reaffirmed UNCTAD's mandate as the principal organ of the General Assembly and the focal point within the United Nations system for the integrated treatment of development and interrelated issues in the areas of trade, finance, technology, investment and sustainable development. UNCTAD should be the first body to study new trade-related issues and should continue its independent analytical studies of the various issues relating to trade and development. Only when an issue was sufficiently mature could it be productively addressed by WTO.

18. The ASEAN countries urged the immediate implementation of the results of the Uruguay Round of multilateral trade negotiations and hoped that the forthcoming WTO Ministerial Conference would add momentum to the implementation

of the agreements concluded at those negotiations and produce meaningful results in addressing the problems of the developing countries arising from their obligations under WTO rules.

19. Since the inception of ASEAN, its member Governments had been committed to market liberalization and the pursuit of an open multilateral trading system based on non-discrimination and transparency, as illustrated by the establishment, currently in progress, of the ASEAN Free-Trade Area (AFTA). Cooperation among member countries had been intensified in such areas as services, transportation and intellectual property rights. ASEAN members also cooperated with other regional and interregional organizations.

20. The developing countries had a strong interest in the success of a rules-based multilateral trading system in which continuing liberalization and the integration of open markets should lead to steady increases in the exports of products in respect of which developing countries enjoyed a comparative advantage. Attempts to impose measures allowing unfair competitive advantage or to erode the comparative advantage of developing countries must be resisted and protectionism of any kind must be rejected. There was a continuing need for trade liberalization through a substantial reduction of tariff and non-tariff barriers to trade and the elimination of discriminatory and protectionist practices. The ASEAN countries looked forward to solid achievement by UNCTAD in maximizing the development impact of liberalization and globalization and minimizing the risk of marginalization and instability.

21. Mr. BA (Senegal) said that although, following the conclusion of the Uruguay Round, the international trading system offered genuine opportunities for growth and development to all countries, the unequal distribution of the advantages stemming from liberalization clearly showed that most developing countries were a long way from achieving full integration. Indeed, the perpetuation of the vicious circle whereby developing countries which supplied raw materials ended up purchasing finished products made from such materials, at exorbitant prices not only resulted in substantial losses of foreign exchange but also considerably retarded the process of industrialization in such countries. It was because of that unjust and unacceptable deterioration in the terms of trade that African countries were demanding the establishment of a diversification fund of African commodities.

22. Moreover, Senegal fully endorsed the joint UNCTAD/WTO/ITC technical cooperation programme for Africa. In his view, that programme's priorities should include, inter alia, the identification of trade opportunities flowing from the Uruguay Round, the provision of greater access to trade information and the provision of practical advice on the type of national legislation required to comply with multilateral trade commitments. The legitimacy and effectiveness of the multilateral trading system would depend to a considerable extent on the full integration of all partners into that system and on respect for all the rules of the game, to wit, equity, transparency, eschewing unilateral coercion measures and dismantling protectionist barriers.

23. Mr. DISEKO (South Africa), speaking on behalf of the States members of the Southern Africa Development Community (SADC) said that the ninth session of UNCTAD had provided another opportunity for the international community to renew

its commitment towards an effective partnership between the developed and developing countries. In that regard, the member States of SADC reaffirmed their collective commitments to the implementation of the outcome of that session and welcomed the reforms undertaken by UNCTAD. It was essential for the United Nations to focus on the impact of globalization and liberalization on some countries in Africa, especially the least developed ones, in order to identify potential options and support for such countries. SADC therefore welcomed the initiatives and support provided by bodies such as the International Trade Centre (ITC) and the World Trade Organization (WTO) to countries in the SADC region. The development partners of SADC should assist SADC in its ongoing efforts in that field.

24. The close cooperation which had developed between the UNCTAD and WTO secretariats could only strengthen the work done in both bodies in favour of developing countries. It was to be hoped that a similar relationship could be developed with the Bretton Woods institutions. He welcomed the United Nations System-wide Special Initiative on Africa and the outcome of the mid-term review of the United Nations New Agenda for the Development of Africa in the 1990s.

25. SADC, which regarded cooperation in trade and trade facilitation as crucial issues, welcomed the joint trade efficiency initiative launched by UNCTAD together with the International Trade Centre and its endorsement by African countries. SADC believed that such initiatives would strengthen Africa's development and maintenance of trade infrastructure. African countries had implemented their decisions by building and strengthening subregional economic communities and striving to harmonize and rationalize regional organizations. The establishment of SADC had been a major contribution to that endeavour which would lead to more economic opportunities and an enlarged African market.

26. SADC member States were concerned that the inclusion of new issues would overload the agenda of the first Ministerial Conference of WTO and could exacerbate the difficulties involved in implementing existing obligations and in effectively dealing with the unfinished business in the built-in agenda.

27. Measures aimed at creating an enabling investment and trade environment continued to be implemented in all SADC countries since success in that area would ultimately determine how well the subregion's economic integration functioned. SADC had also adopted a trade development and promotion strategy aimed at enhancing the regional community and the establishment of export-oriented investments by opening new opportunities for new products and markets. In line with those objectives, the SADC member countries were committed to South-South cooperation as one dimension of interregional cooperation and regarded it as a key element for a successful international cooperation venture. In that regard, initiatives such as further dialogue between SADC and the Southern Cone Common Market were of special significance. With respect to North-South trade and economic development cooperation, SADC welcomed the outcomes of the SADC/European Union Ministerial Conference meeting held in Windhoek, Namibia, in October 1996. SADC reaffirmed its long-standing commitment to full regional economic integration and advocated more partnership and cooperation in that respect with regional groupings.

28. Mr. ZARIE-ZARE (Islamic Republic of Iran) said that constructive and effective cooperation had to be established between UNCTAD and WTO based on their complementary functions, and taking into account the clear comparative advantage of UNCTAD in tackling trade-related development issues and investment in order to implement the specific measures adopted at the ninth session of UNCTAD. Moreover, cooperation consistent with the respective mandates of the United Nations and WTO should be established between the two organizations. Fresh efforts should be made to ensure greater coordination of WTO activities with those of other international agencies in that field.

29. His Government attached great importance to regional cooperation in Asia and the Pacific. In that connection, the expansion of land transport links in Asia was pivotal in order to promote the region's economic and social development. Towards that end, the Islamic Republic of Iran had been expanding land, air and sea links with the newly independent central Asian States by investing in multi-billion-dollar projects in recent years. While his Government had been able to complete most of the projects through the mobilization of domestic resources without any financial or technical assistance from the outside world, it was clear that in order to achieve the goal of establishing a road and rail network linking various subregions in Asia with Europe, financial, technical and technological assistance would be needed.

30. The imposition by some developed countries of coercive economic measures against developing countries and the approval of domestic legislation for the horizontal escalation of such measures with extraterritorial implications was contrary to the provisions of the United Nations Charter, World Trade Organization commitments, international trading rules and regulations as well as to the principles of international law embodied in various international instruments and documents. He urged the international community to adopt urgent and effective measures to eliminate such illegal actions.

31. Mr. TABAI (Observer for the South Pacific Forum) said that the leaders of the South Pacific Forum countries had agreed on a range of measures to achieve more progress in both economic reform and development. In that regard, the region's finance ministers had met twice to work on a reform agenda appropriate to their small island countries. They had agreed on the need to have high-level political commitment to economic reform, to ensure accountability, transparency and community involvement in the reform process. Measures adopted at the national level had included substantial reductions in public service employment and salaries and reductions in subsidies to State-owned enterprises. In parallel with growing acceptance of the need for public sector reform, was an increasing awareness of the implications of global developments, particularly in relation to trade and investment.

32. An issue of particular concern to the Forum in that regard, was the expiration of the current Lomé Convention. Negotiations on a successor convention were under way. While the Pacific Forum island countries realized that they could not afford to be left out of global developments, they were also aware that full-scale participation was not always the best option for them since membership in organizations such as WTO involved costs which many of them might well be unable to afford. They had therefore chosen to benchmark their trade and investment reforms against standards set for WTO or Asia Pacific

Economic Cooperation Initiative (APEC) members. As a first step, Forum countries were focusing on improving the transparency of investment regimes in the region. In order to allay recent concerns about alleged financial fraud and increased criminal activities in the region, Forum members were collaborating on improving mechanisms to identify fraudulent financial operations, combat international drug trafficking, develop a common approach to weapons control and, more generally, strive to give high priority to enhancing cooperation.

33. Mr. VOLPE (Venezuela) said that the holding of the ninth session of UNCTAD and the upcoming Ministerial Conference of WTO in Singapore were two events of crucial importance in efforts to achieve an equitable, secure, transparent and rule-based multilateral trading system. The political will demonstrated thus far by the international community in its efforts towards that end confirmed that it was possible to make progress even in the most sensitive areas relating to trade. In his view, the conference should insist on greater compliance with agreed-upon commitments and consider such issues as the risks of marginalization of least developed countries and processes of regional integration which, in the view of developing countries, needed greater evaluation. A rigorous analysis of environment and trade was also required, particularly in circumstances when norms and precepts of an environmental nature were used for protectionist purposes in the area of international trade.

34. Cooperation between UNCTAD, WTO, the International Monetary Fund and the World Bank was particularly important in view of the critical importance of monetary, foreign exchange and finance policies for the economic development of countries, and consequently, for enhanced world trade.

35. Mr. ACEMAH (Uganda) said that the negative impact of the Uruguay Round agreements on the least developed countries and the net food-importing countries should continue to be dealt with in the context of remedial measures built into the agreements and those arising from, inter alia, processes within UNCTAD and WTO and from the mid-term review of the United Nations New Agenda for the Development of Africa in the 1990s.

36. The agenda of the first Ministerial Conference of WTO should not include so-called new issues; the implications of their potential impact on trade policy should first be discussed by UNCTAD. Accordingly, UNCTAD should focus on issues pertaining to the full implementation of the Uruguay Round agreements, in particular, those aspects relating to the provision of financial, technical and technological support to developing countries and ways to stem and reverse the distortional factors of trade. The provisions relating to the least developed countries and to net food-importing countries should be implemented on an urgent basis.

37. His delegation welcomed the far-reaching reform measures agreed upon at the ninth session of UNCTAD. UNCTAD should be provided with adequate resources so that it would be able to effectively discharge its increased and more complex responsibilities. His delegation was particularly encouraged by the improved focus of UNCTAD's work relating to the least developed countries, small island developing States and land-locked developing countries. In order to allow time for the intergovernmental process to fully assess the impact of the changes agreed upon, no new changes should be proposed for the foreseeable future.

38. The Uganda delegation agreed with the Joint Inspection Unit that UNCTAD should be given credit for a long record of tangible achievements and should be more visible in the field in order to enhance its ability to fashion a field-oriented and priority-driven technical cooperation strategy supportive of developing countries. With regard to the Unit's conclusions on the current restructuring process, he emphasized that the reforms should neither erode UNCTAD's mandate nor compromise its independence on policy issues. His delegation endorsed the recommendations of JIU.

39. Mr. RAMOUL (Algeria), Vice-Chairman, took the Chair.

40. Mr. ABDELLATIF (Egypt) said that the developing countries had participated actively in the Uruguay Round of multilateral trade negotiations with a view to establishing a system that would be based on free trade and the abolition of all restrictions and discriminatory treatment. However, many developing countries still experienced difficulties in gaining access to developed countries' markets. Moreover, a new kind of protectionism based on different criteria was emerging. Many developing countries found themselves forced to make increasing concessions that went beyond the Uruguay Round agreements and had an adverse effect on their integration into the international trading system.

41. Many developing countries had undertaken large-scale economic reforms in order to adjust to the new international trading order. It was therefore essential to assist developing countries in that area through international and bilateral technological and financial support that concentrated on the need to develop human resources and establish institutions to assist the private sector, especially small- and medium-sized firms.

42. The forthcoming WTO Ministerial Conference would provide an opportunity to evaluate progress in implementing the Uruguay Round agreements. It should seek to promote the capabilities of developing countries by giving them better access to markets, particularly in areas where they enjoyed comparative advantages, such as textiles and agriculture. It was also important to consider ways of consolidating the international trading system on a multilateral basis. Accordingly, it should not consider new issues but should concentrate on the current timetable for full implementation of the Uruguay Round agreements.

43. At the ninth session of UNCTAD, a consensus had been reached concerning UNCTAD as an instrument for dealing in an effective, operational way with rapid developments in the global economy. UNCTAD should consider questions of development and other related issues, particularly trade, in order to deal with them in an integrated fashion. In that context, it should play an essential role in providing assistance to developing countries, in particular the least developed countries.

44. Mr. AHMED (India) noted with satisfaction the growing relationship between the United Nations and WTO and the emerging cooperation between UNCTAD and WTO. Although the growth of the world economy was creating new opportunities, continuing rigidities in the international trading and financial system, including the use of protectionist measures limited the benefits which most developing countries derived from that economy. Their situation was further aggravated by attempts by developed countries to use environmental and social

concerns for protectionist purposes. The terms of trade accorded to the products of developing countries should be improved and the latter should diversify their exports. The interests of developing countries must be adequately protected, and those experiencing difficulties should receive compensation, where applicable. The developing countries required assistance to enable them to correct structural imbalances, absorb modern technological advances and build their capacity in critical areas. Their own efforts should be complemented by those of international trade and financial institutions.

45. His delegation welcomed the consensus reached at the ninth session of UNCTAD on challenges and opportunities arising from globalization and liberalization and the partnership for development underlying the Midrand Declaration. Some developing countries had made a substantial contribution to the growth and interdependence of the global economy and conditions must be created to enable others to join in the process in a more meaningful manner. The forthcoming review at the WTO Ministerial Conference of the implementation of the Uruguay Round agreements should identify progress as well as shortcomings requiring renewed efforts, with a view to stimulating implementation where needed, in particular, in areas of export interest to developing countries. The Meeting must not be used as a pretext to insert the selective concerns of some countries in the world trade agenda.

46. The rapid growth of the share of the developing countries in international trade was likely to become the most dynamic factor in the overall growth of international trade and finance, a development which would also benefit the developed world.

47. Mr. BACHARD (Niger) said that it was clear from the report on the ninth session of UNCTAD (A/51/308) that concrete proposals were needed to put an end to trading practices which impeded the development of the developing countries, in particular, the least developed among them. The necessary conditions must be established to overcome economic and social disparities within and among nations, a task which first and foremost meant guaranteeing every individual the right to food, health and education.

48. His delegation welcomed the expanding dialogue addressing the factors which impeded the growth of the economies of the developing countries and the recognition that a true partnership for development was essential. Despite the fact that the basic requirements for such a partnership - such as availability of human resources and effective participation of women in economic, social and political development - were in place in many developing countries, poverty and exclusion from the international financial system remained a fact of life in those countries. The United Nations system, in particular, UNCTAD and WTO, must strive to attenuate the adverse consequences of globalization on the developing countries and establish equitable rules governing trade and finance among nations. The United Nations system should develop measures to halt international commodity speculation and control international financial flows in order to safeguard the interests of nations with weak economies. The elimination of such speculation was essential for the establishment of a truly equitable international economic, commercial and financial system and for transparent management. Consideration also might be given to treating commodity speculation above a certain level as a crime against producers and consumers and

thus against humanity, since the right to development was a fundamental human right.

49. Mr. ASBAIE (Libyan Arab Jamahiriya) said that, in spite of the reforms undertaken by many developing countries, the economies of those countries remained weak owing to the failure of the developed countries to honour their commitments. Developing countries had been unable to achieve economic development through self-reliance owing to low commodity prices and the worsening of the debt crisis. Moreover, some developing countries had been subjected to coercive economic measures, including economic embargoes, trade restrictions and the freezing of assets.

50. In light of the recommendations of the ninth session of UNCTAD, which sought to strengthen trade relations among countries on the basis of equality and mutual cooperation, his delegation called for the lifting of the embargo against the Libyan Arab Jamahiriya and the release of its assets frozen in banks in developed countries. Protectionism must be eliminated and the organization of international commodity markets should be improved in order to mitigate the consequences of price fluctuations and deteriorating terms of trade on the developing countries.

51. The United Nations and its relevant bodies provided an appropriate forum for discussing international economic and financial problems as well as humanitarian issues. The Organization should therefore carry out its role fully in order to promote economic and social development in the developing countries. The developed countries should honour their obligations and assist the developing countries in their efforts to achieve sustainable economic and social development.

52. Mr. SORCAR (Bangladesh) said that the Trade and Development Board had taken a number of important decisions at its forty-third session. One decision dealt with the elaboration of an UNCTAD-wide, integrated country-level programme for the least developed countries to assist them in building their supply capacity of exportable goods and services. The severe constraints on the supply capacity of the least developed countries was the key factor impeding their ability to take advantage of the opportunities arising from the Uruguay Round agreements. In that regard, the new country-level programme was an important step towards helping the least developed countries address those constraints.

53. The Trust Fund for the Least Developed Countries could provide the necessary funding for UNCTAD country-level programmes, and he called upon all donors, and all the countries in a position to do so, to contribute generously to it. The Fund should not, however, be a substitute for the traditional technical cooperation resources allocated to the least developed countries. The share of those developed countries in the technical cooperation activities of UNCTAD should be increased from its current low level.

54. At its forty-third session, the Trade and Development Board had held a very useful panel discussion on trade and issues of the least developed countries. The Secretary-General should consider the possibility of organizing a high-level segment of the Board with a view to dealing with issues to be discussed at the Third United Nations Conference on the Least Developed Countries.

55. At the ninth session of UNCTAD, it had been decided that issues concerning the least developed countries would be treated as a cross-cutting UNCTAD-wide undertaking. His delegation was encouraged that, through a steering committee, the Secretary-General himself would provide the policy guidance for effective implementation of UNCTAD-wide activities for the least developed countries.

56. His delegation requested all members of WTO to give particular attention to the problems faced by the least developed countries in deriving benefits from the Uruguay Round agreements. The Ministerial Meeting should adopt a plan of action for the least developed countries that contained concrete measures in the area of market access and other areas, including the immediate elimination of tariff and non-tariff barriers to all existing and future export items originating in the least developed countries.

57. Ms. AMOAH (Ghana) said that new international development had compelled many developing countries to undertake economic and other reforms in order to create internal conditions that could enhance their integration into the international trading system. However, the efforts of developing countries to expand their trade and achieve economic growth had not borne much fruit since they still faced a hostile international economic environment characterized by protectionist tendencies and declining terms of trade.

58. Developing countries had accepted the replacement of the General Agreement on Tariffs and Trade (GATT) by WTO, hoping to benefit from the establishment of a multilateral trading regime that would provide a reliable dispute-settlement mechanism and ensure a rule-based, predictable and non-discriminatory trading system. However, in addition to unilateral and bilateral protectionist practices, new and non-economic protectionist measures were being introduced to frustrate the integration of developing countries into the international trading system. Worse still, growing competition and the new risks of the Uruguay Round would have an adverse impact on the poorer countries, particularly those in Africa, as a result of the erosion of special preferences enjoyed by Africa. The forthcoming WTO Ministerial Meeting should give serious consideration to those issues, the discussion of which should include all members of WTO and take account of the various interests of the different regions.

59. According to recent United Nations statistics, Africa's share in world trade had declined by 30 per cent - from 3.1 per cent to 2.2 per cent - between 1990 and 1995. In the context of developing countries as a whole, Africa's share in world trade had dropped from 10.9 per cent in 1990 to 6.4 per cent in 1995. Africa's failure to take advantage of the dramatic growth in world trade had been attributed to its continued dependence on primary commodities and its failure to diversify. In an interdependent world, the international community had the obligation to assist commodity producers to earn more through such policies as the promotion of diversification, training and fundamental reforms in the mechanisms through which commodities were traded.

60. The international community should adopt positive policies and measures to help developing countries build their technological capacity to expand export opportunities, and should take measures to ensure developing countries' access to distribution and marketing channels and key services.

(d) COMMODITIES (continued)

Draft resolution on commodities (A/C.2/51/L.14)

61. Mr. DIAZ (Costa Rica) introduced draft resolution A/C.2/51/L.14 on behalf of the Group of 77 and China, and urged its adoption by consensus.

The meeting rose at 5.20 p.m.